

## **§ 445.2**

designated by the Manager of the Corporation from those approved by the Board of Directors of the Corporation.

### **§ 445.2 Premium rates, coverage levels, and amounts of insurance.**

(a) The Manager shall establish premium rates, coverage levels, and amounts of insurance for peppers which will be included in the actuarial table on file in the applicable service offices for the county and which may be changed from year to year.

(b) At the time the application for insurance is made, the applicant will elect an amount of insurance per acre and a coverage level from among those levels and amounts set by the actuarial table for the crop year.

### **§ 445.3 OMB control numbers.**

OMB control numbers are contained in subpart H of part 400, title 7 CFR.

### **§ 445.4 Creditors.**

An interest of a person in an insured crop existing by virtue of a lien, mortgage, garnishment, levy, execution, bankruptcy, involuntary transfer or other similar interest shall not entitle the holder of the interest to any benefit under the contract.

### **§ 445.5 Good faith reliance on misrepresentation.**

Notwithstanding any other provision of the pepper crop insurance contract, whenever: (a) An insured under a contract of crop insurance entered into under these regulations, as a result of a misrepresentation or other erroneous action or advice by an agent or employee of the Corporation: (1) Is indebted to the Corporation for additional premiums; or (2) has suffered a loss to a crop which is not insured or for which the insured is not entitled to an indemnity because of failure to comply with the terms of the insurance contract, but which the insured believed to be insured, or believed the terms of the insurance contract to have been complied with or waived; and (b) the Board of Directors of the Corporation, or the Manager in cases involving not more than \$100,000.00 finds that: (1) An agent or employee of the Corporation did in fact make such misrepresentation or take other erroneous

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action or give erroneous advice; (2) said insured relied thereon in good faith; and (3) to require the payment of the additional premiums or to deny such insured's entitlement to the indemnity would not be fair and equitable, such insured shall be granted relief the same as if otherwise entitled thereto. Requests for relief under this section must be submitted to the Corporation in writing.

### **§ 445.6 The contract.**

The insurance contract shall become effective upon the acceptance by the Corporation of a duly executed application for insurance on a form prescribed by the Corporation. The contract shall cover the pepper crop as provided in the policy. The contract shall consist of the application, the policy, and the county actuarial table. Changes made in the contract shall not affect its continuity from year to year. The forms referred to in the contract are available at the applicable service offices.

### **§ 445.7 The application and policy.**

(a) Application for insurance on a form prescribed by the Corporation must be made by any person to cover such person's share in the pepper crop as landlord, owner-operator, or tenant if the person wishes to participate in the program. The application shall be submitted to the Corporation at the service office on or before the applicable sales closing date on file in the service office.

(b) The Corporation may discontinue the acceptance of applications in any county upon its determination that the insurance risk is excessive, and also, for the same reason, may reject any individual application. The Manager of the Corporation is authorized in any crop year to extend the sales closing date for submitting applications in any county, by placing the extended date on file in the applicable service offices and publishing a notice in the FEDERAL REGISTER upon the Manager's determination that no adverse selectivity will result during the extended period. However, if adverse conditions should develop during such period, the Corporation will immediately discontinue the acceptance of applications.

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(c) In accordance with the provisions governing changes in the contract contained in policies issued under FCIC regulations for the 1987 and succeeding crop years, a contract in the form provided for under this subpart will come into effect as a continuation of a pepper insurance contract issued under such regulations, without the filing of a new application.

(d) The application for the 1987 and succeeding crop years is found at subpart D of part 400—General Administrative Regulations (7 CFR 400.37, 400.38). The provisions of the Pepper Crop Insurance Policy for the 1987 through 1997 crop years are as follows:

### DEPARTMENT OF AGRICULTURE

#### FEDERAL CROP INSURANCE CORPORATION

##### *Pepper—Crop Insurance Policy*

(This is a continuous contract. Refer to section 15.)

**AGREEMENT TO INSURE:** We will provide the insurance described in this policy in return for the premium and your compliance with all applicable provisions.

Throughout this policy, “you” and “your” refer to the insured shown on the accepted Application and “we,” “us,” and “our” refer to the Federal Crop Insurance Corporation.

#### TERMS AND CONDITIONS

##### 1. Causes of Loss

a. The insurance provided is against unavoidable loss of production resulting from the following causes occurring within the insurance period:

- (1) Excessive rain;
- (2) Frost;
- (3) Freeze;
- (4) Hail;
- (5) Fire;
- (6) Tornado;
- (7) Tropical depression; or

(8) Failure of the irrigation water supply due to an unavoidable cause occurring after the beginning of planting; unless those causes are excepted, excluded, or limited by the actuarial table or section 9.e.(6).

b. We will not insure against any loss of production due to:

- (1) Disease or insect infestation;
- (2) The neglect, mismanagement, or wrongdoing of you, any member of your household, your tenants, or employees;
- (3) The failure to follow recognized good pepper farming practices;
- (4) The impoundment of water by any governmental, public, or private dam or reservoir project;

(5) The failure or breakdown of irrigation equipment or facilities;

(6) The failure to follow recognized good pepper irrigation practice; or

(7) Any cause not specified in section 1.a. as an insured loss.

##### 2. Crop, Acreage, and Share Insured

a. The crop insured will be peppers planted for harvest as fresh market peppers, grown on insured acreage, and for which an amount of insurance and premium rate are set by the actuarial table.

b. The acreage insured for each crop year will be peppers planted on irrigated acreage as designated insurable by the actuarial table and in which you have a share, as reported by you or as determined by us, whichever we elect.

c. The insured share is your share as landlord, owner-operator, or tenant in the insured peppers at the time of each planting period. However, only for the purpose of determining the amount of indemnity, your share will not exceed your share on the earlier of:

- (1) The time of loss; or
- (2) The beginning of harvest.

d. We do not insure any acreage of peppers grown by any person if the person had not previously:

- (1) Grown peppers for commercial sales; or
- (2) Participated in the management of the pepper farming operation.

e. We do not insure any acreage:

(1) Of peppers grown for direct consumer marketing;

(2) If the farming practices carried out are not in accordance with the farming practices for which the premium rates have been established;

(3) Which is not irrigated;

(4) On which peppers are not grown on plastic mulch unless provided for by the actuarial table;

(5) On which tomatoes, peppers, eggplants or tobacco have been grown and the soil was not fumigated or otherwise properly treated before planting peppers;

(6) Which was planted to peppers the preceding planting period, unless the pepper plants of the preceding planting period were destroyed less than:

- (a) 30 days after the date of planting; or
- (b) 60 days after the date of direct seeding;
- (7) Which is destroyed, it is practical to replant to peppers, and such acreage is not replanted (the unavailability of plants is not a valid reason for failing to replant);

(8) Initially planted after the final planting date set by the actuarial table;

(9) Of volunteer peppers;

(10) Planted to a type or variety of peppers not established as adapted to the area or excluded by the actuarial table;

(11) Planted for experimental purpose; or

(12) Planted with another crop.

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f. We may limit the insured acreage to any acreage limitation established under any Act of Congress, if we advise you of the limit prior to planting.

### 3. Report of Acreage, Share, and Practice

You must report at the time of each planting period on our form:

a. All the acreage of fall, winter and spring-planted peppers in the county in which you have a share;

b. The practice, including the bed size; and

c. Your share at the time of planting.

You must designate separately any acreage that is not insurable. You must report if you do not have a share in any pepper plantings in the county. This report must be submitted for each planting period on or before the reporting date established by the actuarial table for each planting period. All indemnities may be determined on the basis of information you submit on this report. If you do not submit this report by the reporting date, we may elect to determine, by unit, for each planting period, the insured acreage, share, and practice or we may deny liability on any unit for any planting. Any report submitted by you may be revised only upon our approval.

### 4. Coverage Levels and Amounts of Insurance

a. The coverage levels and amounts of insurance are contained in the actuarial table.

b. Coverage level 2 will apply if you do not elect a coverage level.

c. You may change the coverage level and amount of insurance on or before the sales closing date set by the actuarial table for submitting applications for the crop year.

### 5. Annual Premium

a. The annual premium is earned and payable at the time of planting. The amount is computed by multiplying the amount of insurance, times the premium rate, times the insured acreage, times your share at the time of each planting.

b. Interest will accrue at the rate of one and one-quarter percent (1¼%) simple interest per calendar month, or any part thereof, on any unpaid premium balance starting on the first day of the month following the first premium billing date.

### 6. Deduction for Debt

Any unpaid amount due us may be deducted from any indemnity payable to you, or from any replant payment, or from any loan or payment due you under any Act of Congress or program administered by the United States Department of Agriculture or its Agencies.

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### 7. Insurance Period

Insurance attaches when the peppers are planted in each planting period and ends at the earliest of:

a. Total destruction of the peppers on the unit;

b. Discontinuance of harvest of peppers on the unit;

c. The date harvest should have started on the unit on any acreage which will not be harvested;

d. 150 days after the date of direct seeding, transplanting or replanting;

e. Final harvest; or

f. Final adjustment of loss.

### 8. Notice of Damage or Loss

a. In case of damage or probable loss:

(1) You must give us written notice if:

(a) You want our consent to replant peppers damaged due to any insured cause (see subsection 9.f.);

(b) During the period before harvest, the peppers on any unit are damaged and you decide not to further care for or harvest any part of them;

(c) You want our consent to put the acreage to another use; or

(d) After consent to put acreage to another use in given, additional damage occurs.

Insured acreage may not be put to another use until we have appraised the peppers and given written consent. We will not consent to another use until it is too late to replant. You must notify us when such acreage is replanted or put to another use.

(2) You must give us notice of probable loss at least 15 days before the beginning of harvest if you anticipate a loss on any unit.

(3) If probable loss is determined within 15 days prior to or during harvest and you are going to claim an indemnity on any unit, you must give us notice not later than 72 hours after the earliest of:

(a) Total destruction of the peppers on the unit;

(b) Discontinuance of harvest of any acreage on the unit;

(c) The date harvest would normally start if any acreage on the unit is not to be harvested; or

(d) 150 days after the direct seeding, transplanting or replanting of the peppers (see section 7).

b. You may not destroy or replant any of the peppers on which a replanting payment will be claimed until we give written consent.

c. You must obtain written consent from us before you destroy any of the peppers which are not to be harvested.

d. We may reject any claim for indemnity if you fail to comply with any of the requirements of this section or section 9.

## 9. Claim for Indemnity

a. Any claim for indemnity on a unit must be submitted to us on our form not later than 60 days after the earliest of:

- (1) Total destruction of the peppers on the unit;
- (2) Discontinuance of harvesting on the unit; or
- (3) The date harvest should have started on the unit on any acreage which will not be harvested.

b. We will not pay any indemnity unless you:

- (1) Establish the total production and the value received for all peppers on the unit and that any loss of production or value has been directly caused by one or more of the insured causes during the insurance period; and
- (2) Furnish all information we require concerning the loss.

c. The indemnity will be determined on each unit by:

- (1) Multiplying the insured acreage by the amount of insurance times the percentage for the state of production defined by the actuarial table;
- (2) Subtracting therefrom the total value of production to be counted (see subsection 9.e.); and
- (3) Multiplying this result by your share.

d. If the information reported by you under section 3 of this policy results in a lower premium than the actual premium determined to be due, the amount of insurance on the unit will be computed on the information reported, but the value of all production from insurable acreage, whether or not reported as insurable, will count against the amount of insurance.

e. The total value of production to be counted for a unit will include all harvested and appraised production.

(1) The total value of harvested production will be the greater of:

(a) The dollar amount obtained by multiplying the number of 1½ bushels of peppers harvested on the unit by \$4.00; or

(b) The dollar amount obtained by multiplying the number of 1½ bushels of peppers sold by the price received for each 1½ bushel of peppers minus allowable cost set by the actuarial table. However, such price must not be less than zero for any 1½ bushel.

(2) The value of appraised production to be counted will include:

(a) The value of the potential production on any peppers that have not been harvested the third time and the value of unharvested mature green and red peppers;

(b) The value of the potential production lost due to uninsured causes; and

(c) Not less than the dollar amount of insurance per acre for any acreage abandoned or put to another use without our prior written consent or which is damaged solely by an uninsured cause.

The value of any appraised production will not be less than the dollar amount obtained by multiplying the number of 1½ bushels of peppers appraised by \$4.00.

(3) Unharvested peppers damaged or defective due to insurable causes and which cannot be marketed will not be counted as production.

(4) Any appraisal we have made on insured acreage for which we have given written consent to be put to another use will be considered production unless such acreage is:

(a) Not put to another use before harvest of peppers becomes general in the county for the planting period and reappraised by us;

(b) Further damaged by an insured cause and reappraised by us; or

(c) Harvested.

(5) The amount and value of production of any unharvested peppers may be determined on the basis of field appraisals conducted after the end of the insurance period.

(6) If you elect to exclude hail and fire as insured causes of loss and the peppers are damaged by hail or fire, appraisals will be made in accordance with Form FCI-78-A, "Request to Exclude Hail and Fire."

f. A replanting payment may be made on any insured peppers replanted after we have given consent and the acreage replanted is at least the lesser of 20 acres or 20 percent of the insured acreage as determined on the final planting date for the planting period. The acreage to be replanted must have sustained a loss in excess of 50 percent of the plant stand for the unit.

(1) No replanting payment will be made on acreage on which a replanting payment has been made during the current planting period for the crop year.

(2) The replanting payment per acre will be your actual cost per acre for replanting, but will not exceed the product obtained by multiplying \$300.00 per acre by your share.

(3) The Corporation will transfer the original liability to the replanted crop without reduction by the amount of the replant payment and without increase in the original premium charged for insurance coverage when the crop is replanted in accordance with the requirements of the original planting.

(4) If seasonal conditions dictate replanting by broadcast method, and such method differs from the requirements of the original planting, the Corporation will transfer the original liability to the replanted crop reduced by the amount of the replant payment and without increase in the original premium charged for insurance coverage.

If the information reported by you results in a lower premium than the actual premium determined to be due, the replanting payment will be reduced proportionately.

g. You must not abandon any acreage to us.

h. Any suit against us for an indemnity must be brought in accordance with the provisions of 7 U.S.C. 1508(c). You must bring suit within 12 months of the date notice of denial of the claim is received by you.

i. An indemnity will not be paid unless you comply with all policy provisions.

j. We have a policy for paying your indemnity within 30 days of our approval of your claim, or entry of a final judgment against us. We will, in no instance, be liable for the payment of damages, attorney's fees, or other charges in connection with any claim for indemnity, whether we approve or disapprove such claim. We will, however, pay simple interest computed on the net indemnity ultimately found to be due by us or by final judgment from and including the 61st day after the date you sign, date, and submit to us the properly completed claim for indemnity form, if the reason for our failure to timely pay is not due to your failure to provide information or other material necessary for the computation or payment of the indemnity. The interest rate will be established by the Secretary of the Treasury under section 12 of the Contract Disputes Act of 1978 (41 U.S.C. 611), and published in the FEDERAL REGISTER semiannually on or about January 1 and July 1. The interest rate to be paid on any indemnity will vary with the rate announced by the Secretary of the Treasury.

k. If you die, disappear or are judicially declared incompetent, or if you are an entity other than an individual and such entity is dissolved after the peppers are planted for any crop year, any indemnity will be paid to the persons determined to be beneficially entitled thereto.

l. If you have other fire insurance, fire damage occurs during the insurance period, and you have not elected to exclude fire insurance from this policy, we will be liable for loss due to fire only for the smaller of the amount:

(1) Of indemnity determined pursuant to this contract without regard to any other insurance; or

(2) By which the loss from fire exceeds the indemnity paid or payable under such other insurance.

For the purpose of this section, the amount of loss from fire will be the difference between the fair market value of the production on the unit before the fire and after the fire.

#### 10. Concealment or Fraud

We may void the contract on all crops insured without affecting your liability for premiums or waiving any right, including the right to collect any amount due us if, at any time, you have concealed or misrepresented any material fact or committed any fraud relating to the contract. Such voidance will be effective as of the beginning of the

crop year with respect to which such act or omission occurred.

#### 11. Transfer of Right to Indemnity on Insured Share

If you transfer any part of your share during the crop year, you may transfer your right to an indemnity. The transfer must be on our form and approved by us. We may collect the premium from either you or your transferee or both. The transferee will have all rights and responsibilities under the contract.

#### 12. Assignment of Indemnity

You may assign to another party your right to an indemnity for the crop year, only on our form and with our approval. The assignee will have the right to submit the loss notices and forms required by the contract.

#### 13. Subrogation (Recovery of Loss From a Third Party)

Because you may be able to recover all or a part of your loss from someone other than us, you must do all you can to preserve any such right. If we pay you for your loss, then your right of recovery will at our option belong to us. If we recover more than we paid you plus our expenses, the excess will be paid to you.

#### 14. Records and Access to Farm

You must keep, for two years after the time of loss, records of the harvesting, storage, shipment, sale, or other disposition of all peppers produced on each unit, including separate records showing the same information for production from any uninsured acreage. Failure to keep and maintain such records may, at our option, result in cancellation of the contract prior to the crop year to which the records apply, assignment of production to units by us, or a determination that no indemnity is due. Any person designated by us will have access to such records and the farm for purposes related to the contract.

#### 15. Life of Contract: Cancellation and Termination

a. This contract will be in effect for the crop year specified on the application and may not be canceled by you for such crop year. Thereafter, the contract will continue in force for each succeeding crop year unless canceled or terminated as provided in this section.

b. This contract may be canceled by either you or us for any succeeding crop year by giving written notice on or before the cancellation date preceding such crop year.

c. This contract will terminate as to any crop year if any amount due us on this or any other contract with you is not paid on or before the termination date preceding such

crop year for the contract on which the amount is due. The date of payment of the amount due if deducted from:

(1) An indemnity, will be the date you sign the claim; or

(2) Payment under another program administered by the United States Department of Agriculture, will be the date both such payment and setoff are approved.

d. The cancellation and termination dates are July 31.

e. If you die or are judicially declared incompetent, or if you are an entity other than an individual and such entity is dissolved, the contract will terminate as of the date of death, judicial declaration, or dissolution. If such event occurs after insurance attaches for any crop year, the contract will continue in force through the crop year and terminate at the end thereof. Death of a partner in a partnership will dissolve the partnership unless the partnership agreement provides otherwise.

If two or more persons having a joint interest are insured jointly, death of one of the persons will dissolve the joint entity.

f. The contract will terminate if no premium is earned for 3 consecutive years.

#### 16. Contract Changes

We may change any terms and provisions of the contract from year to year. If your amount of insurance at which indemnities are computed is no longer offered, the actuarial table will provide the amount of insurance which you are deemed to have elected. All contract changes will be available at your service office by April 30 preceding the cancellation date. Acceptance of changes will be conclusively presumed in the absence of notice from you to cancel the contract.

#### 17. Meaning of Terms

For the purposes of pepper crop insurance:

a. *Acre* means 43,560 square feet of plastic mulch or equivalent row area of not more than 6 foot widths (6-foot bed) on which at least 7,260 linear feet (rows) are planted.

b. *Actuarial table* means the forms and related material for the crop year approved by us which are available for public inspection in your service office, and which show the amount of insurance, coverage levels, premium rates, practices, insurable and uninsurable acreage, and related information regarding pepper insurance in the county.

c. *County* means the county shown on the application and any additional land located in a local producing area bordering on the county, as shown by the actuarial table.

d. *Crop year* means the period within which the peppers are normally grown beginning August 1 and continuing through the harvesting of the spring-planted peppers and is designated by the calendar year in which the

spring-planted peppers are normally harvested.

e. *Excessive rain* means more than 10 inches of rain on the pepper field within a 24-hour period, after the peppers have been seeded or transplanted.

f. *Freeze* means the condition of air temperatures over a widespread area remaining sufficiently at or below 32 degrees Fahrenheit to cause crop damage.

f. *Frost* means the condition of air temperature around the plant falling to 32 degrees Fahrenheit or below.

h. *Harvest* means the final picking of marketable peppers on the unit.

i. *Insurable acreage* means the land classified as insurable by us and shown as such by the actuarial table.

j. *Insured* means the person who submitted the application accepted by us.

k. *Loss ratio* means the ratio of indemnity to premium.

l. *Mature green pepper* means a pepper which has reached the stage of development that will withstand normal handling and shipping.

m. *Peppers grown for direct consumer marketing* means peppers grown for the purpose of selling directly to the consumer and which are grown on acreage not subject to an agreement between producer and packer to pack the production (the producer-packer agreement must be executed before you report your acreage).

n. *Person* means an individual, partnership, association, corporation, estate, trust, or other legal entity, and wherever applicable, a State or a political subdivision or agency of a State.

o. *Planting* means transplanting the pepper plant in the field or direct seeding in the field.

p. *Planting period* means the peppers planted within the dates set by the actuarial table, as fall-planted, winter-planted or spring-planted.

q. *Plant stand* means the number of live plants per acre before the plants were damaged due to insurable causes.

r. *Potential production* means the number of 1½ bushels of mature green peppers which the pepper plants would produce or would have produced, per acre, by the end of the insurance period.

s. *Replanting* means performing the cultural practices necessary to replant insured acreage to peppers.

t. *Replant payment* means that payment made to the insured in accordance with the provisions of subsection 9.f. of this policy which payment is subject to offset for premium owed.

u. *Service office* means the office servicing your contract as shown on the application for insurance or such other approved office as may be selected by you or designated by us.

v. *Tenant* means a person who rents land from another person for a share of the peppers or a share of the proceeds therefrom.

w. *Tropical depression* means only a large-scale, atmospheric wind-and-pressure system characterized by low pressure at its center and counterclockwise circular wind motion which has been identified by the United States Weather Service in which the minimum sustained surface wind (1-minute mean) is 33 knots per hour (38 miles per hour) or more at the U.S. Weather Service reporting station nearest to the crop damage at the time of loss.

x. *Unit* means all insurable acreage of peppers for each planting period in the county on the date of planting for the crop year:

(1) In which you have a 100 percent share; or

(2) Which is owned by one entity and operated by another entity on a share basis.

Land rented for cash, a fixed commodity payment, or any consideration other than a share in the peppers on such land will be considered as owned by the lessee. Land which would otherwise be one unit may be divided according to applicable guidelines on file in your service office. Units will be determined when the acreage is reported. Errors in reporting units may be corrected by us to conform to applicable guidelines when adjusting a loss. We may consider any acreage and share thereof reported by or for your spouse or child or any member of your household to be your bona fide share or the bona fide share of any other person having an interest therein.

#### 18. Descriptive Headings

The descriptive headings of the various policy terms and conditions are formulated for convenience only and are not intended to affect the construction or meaning of any of the provisions of the contract.

#### 19. Determinations

All determinations required by the policy will be made by us. If you disagree with our determinations, you may obtain reconsideration of or appeal those determinations in accordance with the Appeal Regulations (7 CFR part 400—subpart J).

#### 20. Notices

All notices required to be given by you must be in writing and received by your service office within the designated time unless otherwise provided by the notice requirement. Notices required to be given immediately may be by telephone or in person and confirmed in writing. Time of the notice will be determined by the time of our receipt of the written notice.

21. Notwithstanding the terms of the crop insurance policy and any contract for crop insurance under the provisions of this part,

coverage under the terms of such crop insurance policy will be effective subject to the availability of appropriations.

[51 FR 11293, Apr. 2, 1986, as amended at 51 FR 29205, Aug. 15, 1986; 52 FR 3214, Feb. 3, 1987; 52 FR 17547-17549, May 11, 1987; 55 FR 35888, Sept. 4, 1990; 62 FR 14789, Mar. 28, 1997]

## PART 446—WALNUT CROP INSURANCE REGULATIONS

### Subpart—Regulations for the 1986 Through the 1997 Crop Years

Sec.

446.1 Availability of walnut crop insurance.

446.2 Premium rates, production guarantees, coverage levels, and prices at which indemnities shall be computed.

446.3 OMB control numbers.

446.4 Creditors.

446.5 Good faith reliance on misrepresentation.

446.6 The contract.

446.7 The application and policy.

AUTHORITY: Secs. 506, 516, Pub. L. 75-430, 52 Stat. 73, 77 as amended (7 U.S.C. 1506, 1516).

SOURCE: 50 FR 43687, Oct. 29, 1985, unless otherwise noted.

### Subpart—Regulations for the 1986 Through the 1997 Crop Years

#### § 446.1 Availability of walnut crop insurance.

Insurance shall be offered under the provisions of this subpart on walnuts in counties within the limits prescribed by and in accordance with the provisions of the Federal Crop Insurance Act, as amended. The counties shall be designated by the Manager of the Corporation from those approved by the Board of Directors of the Corporation.

#### § 446.2 Premium rates, production guarantees, coverage levels, and prices at which indemnities shall be computed.

(a) The Manager shall establish premium rates, production guarantees, coverage levels, and prices at which indemnities shall be computed for walnuts which will be included in the actuarial table on file in the applicable service offices for the county and which may be changed from year to year.

(b) At the time the application for insurance is made, the applicant will